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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/834,382	04/12/2001	Nancy D. Reyda	T-5910	3448

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EXAMINER

GARG, YOGESH C

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 10/15/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/834,382

Applicant(s)

REYDA ET AL. 

Examiner

Yogesh C Garg

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 23 July 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-29 is/are pending in the application.
- 4a) Of the above claim(s) 6-10, 12-17, 21-25 and 27-29 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-5, 11, 18-20 and 26 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION***Election/Restrictions***

1. Applicant's election with traverse of Group I, species of claims 5 and 20 in the reply filed on July 23, 2004 is acknowledged. The traversal is on the ground(s) that Groups I, II, III and IV are not distinct subcombinations but instead they are intertwined and that the search for Group I claims would necessitate a search for the area for groups II, III and IV claims. This is not found persuasive because the examiner disagrees with this assertion and states that while there may be some overlap between the search areas required for Groups II, III, IV, and I the search is then divergent. The search for Groups II, III and IV would additionally involve searching for the steps of promoting a volume promotional discount classified in class 705, subclass 14, steps for receiving request and generating an order to purchase the requested item to complete the purchase classified in class 705, subclass 26, and displaying a plurality of brand promotions to enable a retailer to select promotion for which he can be served classified in class 707, subclass 14. Group I involves a method and a system to display a plurality of services to enable a retailer to select a service via a communication network, classified in class 705, subclass 27. Thus it can be clearly seen that the Groups I, II, III and IV have acquired a separate status in the art as shown by their different classification, recognized divergent subject matter, and the search required for one Group is not required for other Groups, restriction for examination purposes as indicated is proper.

The requirement is still deemed proper and is therefore made FINAL. Currently claims 1-5, 11, 18-20 and 26 are pending for examination.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-3 and 5 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

2.1. Claimed Invention(s) does not fall within the Technological Art.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as

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mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson*, 409 U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. In *re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.*, the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State*

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Street Bank & Trust Co. at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, *State Street* never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, claims 1-3 and 5 do not recite use of technological arts in implementing the manipulative steps of communicating, displaying, receiving, serving, real-time communications between a service representative and IR. None of the manipulative steps explicitly indicate connection to a computer or technology. This implies that the steps of communicating, displaying, receiving, serving, and real-time communications between a service representative and IR could be performed manually by people. A network also could mean a postal service and real time communications could imply a direct talk between the service representative and the IR's representative. Therefore, the claims are directed towards non-statutory subject matter. To overcome this rejection the Examiner recommends that Applicant amend the claims to recite use of technology in implementing the manipulative steps of

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communicating, displaying, receiving, serving, real-time communications between a service representative and IR, such as incorporating/integrating a computer/software/hardware computer network or electronic network functionally with manipulative steps recited in the claims.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-5, 11, 18-20 and 26 are rejected under 35 U.S.C. 103 as being unpatentable over Reference Ojha (US Patent 6,598,026).

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

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3.1. Regarding claims 1-2, 4, 11, 18-19 and 26, Ojha, in the analogous field of implementing electronic commerce, discloses an apparatus capable of facilitating operations of a plurality of Independent Retailers ("IR"), said apparatus and the method steps comprising:

Communicating means for communicating over a network from a service bureau or a plurality of headquarters of chain of retail stores to their respective IR's, displaying means for displaying to said IR's a plurality of services for said IR's, for said IR's to select at least one service, wherein said services comprise procurement, receiving means to receive over said network a message from at least one of said IR's to its respective headquarters or a service bureau from said at least one store, and server means for serving up to said IR's said at least one selected service (see at least FIGs.1-6 and col.4, lines 49-67, "*Thus, the present invention provides methods and apparatus for facilitating a transaction between a buyer and one of a plurality of sellers via the Internet. Product information relating to a plurality of products meeting product criteria specified by the buyer is presented via the Internet. One of the plurality of sellers is associated with each of the products. A first bid from the buyer for a first one of the plurality of products is made available via the Internet to a first seller associated with the first product. A first bid response is presented via the Internet to the buyer. According to one embodiment, the first bid response is automatically presented according to response criteria specified by the first seller. Alternatively, the first bid response is presented according to a manually entered communication received from a representative of the first seller. Where the first bid response is an acceptance of the first bid, consummation of the transaction is facilitated. Where the first bid response is a counteroffer, further negotiation via the Internet between the buyer and the first seller is enabled*").

Note: Ojha's prior art (US Patent 6,598, 026) is analogous to claimed invention because it is reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, Ojha provides the system

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comprising a user's terminals 122, 124, 114, a communication network, such as Internet 106 and a server 102 and a client server architecture. The server 102 represents the claimed service bureau or headquarters which provides information/data via Internet in response to selections made by the users on the displayed list on user's terminals. Ojha discloses displaying a list of products and the users on their terminals select a product for purchasing it and this indication/selection of the product for purchasing is received by the server which in response takes further action in serving additional information for consummating the procurement/transaction for a product selected by the user.

Reference Ojha does not expressly show that the user's terminals 112, 114 and 122 belong to IR's and further that that the lists of products displayed on the user's terminals comprises transaction services, communities services, brand deployment services, education support services, business operating services, and customer support services

However these differences are only found in the nonfunctional descriptive material and are not functionally involved in the steps or means for implementing the steps recited. The displaying step would be performed the same regardless of the data, if this data is related to a product as disclosed in Ojha or the data is related to a service, like transaction, community, etc. as claimed. Similarly, the user's terminal would perform the same regardless if the user is operating from home or an office environment as disclosed in Ojha or the user is an IR as claimed. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, *see In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to adapt and use the Ojha's invention wherein the users are IR, that is an individual retailer and to display any type of data, that is a list of products or services on the

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user's terminal to allow the user select one service to receive more information/response from the server which represents the IR's headquarters/service because the subjective interpretation of the user and data being displayed/selected on the terminal does not patentably distinguish the claimed invention.

3.2. Regarding claim 3, Ojha discloses a method of facilitating operations of independent retailers as disclosed and analyzed I claim 1 above. Ojha further discloses the steps of entering real-time communications between any of said IR's and a customer service representative of said service or a service bureau, and wherein said steps for communication can be entered into during any step of said method (see at least col.4, lines 61-67 which teaches a direct real-time communication between the seller's representative and the buyer. Also see FIG.10 which discloses providing real time data and information.).

3.3. Regarding claims 5 and 20, Ojha discloses a method and system for facilitating operations of a plurality of Independent Retailers including displaying a list of plurality of services for retailers to choose at least one of them as analyzed for claims 1 and 18 above. Further, the limitations recited in claims 5 and 20 represent nonfunctional descriptive material and are not functionally involved in the steps or means for implementing the steps recited (on the same basis as described for claims 1 and 18 above). The displaying, receiving and serving steps would be performed the same regardless of the data, if this data is related to a product as disclosed in Ojha or the data is related to transaction services, inventory replenishment, pricing, etc. as claimed. Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability, see *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994). Therefore,

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it would have been obvious to a person of ordinary skill in the art at the time the invention was made to adapt and use the Ojha's invention for displaying, receiving and serving data regardless, if this data is related to a product as disclosed in Ojha or it is related to transaction services, inventory replenishment, pricing, etc. as claimed in the instant application because the subjective interpretation of the data being displayed, received and served does not patentably distinguish the claimed invention.

Conclusion

4. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

(i) US Patent 6,625,581 to Perkowski discloses an apparatus and method for facilitating operations of Independent Retailers including communicating over a network, displaying list of items, receiving messages and serving said Independent Retailers on network (see at least col.1, lines 45-60 and col.21, line 58-col.22, line 40).

(i) US Patent 5,978,773 to Hudetz et al. (see at least FIGs. 4, 5 and col.8, line 21-col.9, line 21) and US Publication 20010039519 to Richards (see at least Fig.2 and paragraph 0067, pg.4) disclose apparatuses and methods for facilitating operations of users including communicating over a network, displaying list of items, receiving messages and serving the users on network.

(ii) Anonymous; " Science & Technology"; Database; Weston; Jun/Jul 1997; Vol.20, Iss.3; pg.18, 1 pgs; extracted from Proquest database on Internet on 10/5/2004 discloses a client-server environment comprising Internet for communicating over a network from a Web Service such that the users can select an item from a displayed list and in response to that the Web Service server displays the information related to the selected item on the list.

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(iii) EP 0910009 A2 to Wakai et al. discloses an apparatus and method using a client-server architecture wherein an user transmits a request to server and in response the server transmits information related to the user's request (see at least abstract).

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Yogesh C Garg whose telephone number is 703-306-0252. The examiner can normally be reached on M-F(8:30-4:00). If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Wynn Coggins can be reached on 703-308-1344.

The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Yogesh C Garg
Primary Examiner
Art Unit 3625

YCG
October 12, 2004